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FEDERAL COMMUNICATIONS COMMISSION  
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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C.

In the matter of )  
)  
Amendment of the Commission's Rules ) WT Docket No. 96-6  
To Permit Flexible Service Offerings in )  
the Commercial Mobile Radio Services )

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**COMMENTS OF BELL ATLANTIC**

Bell Atlantic<sup>1</sup> respectfully submits these comments in response to the Commission's January 25, 1996 Notice of Proposed Rulemaking ("NPRM").<sup>2</sup> Bell Atlantic supports the Commission's proposal to authorize broadband CMRS providers to offer fixed wireless local loop service, but believes that those services should be regulated in the same manner as comparable wireline services when they become commercially viable.

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<sup>1</sup> The Bell Atlantic telephone companies ("Bell Atlantic") are Bell Atlantic-Delaware, Inc.; Bell Atlantic-Maryland, Inc.; Bell Atlantic-New Jersey, Inc.; Bell Atlantic-Pennsylvania, Inc.; Bell Atlantic-Virginia, Inc.; Bell Atlantic-Washington, D.C., Inc.; and Bell Atlantic-West Virginia, Inc.

<sup>2</sup> Amendment of the Commission's Rules To Permit Flexible Service Offerings in the Commercial Mobile Radio Services, WT Docket No. 96-6, NPRM (rel. Jan. 25, 1996).

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## **I. BELL ATLANTIC SUPPORTS FLEXIBLE USE POLICIES**

Bell Atlantic generally supports the adoption of policies that promote flexibility. Such policies allow service providers to meet the ever-changing needs of their customers without burdening them with rigid, and often unnecessary regulations.

The Commission's spectrum policies should be flexible to encourage efficient use of radio frequencies, particular since spectrum is a scarce resource. Artificial restrictions on the use of specific frequencies can prevent the efficient use of those frequencies. The Commission should therefore remove frequency use restrictions wherever it is technically feasible to do so.

The Commission's proposal to authorize broadband CMRS providers to offer fixed wireless local loop service would facilitate more efficient use of their assigned radio frequencies. It would also facilitate another form of competition for wireline telephone service by allowing CMRS providers to attach CMRS antennas and equipment to customer premises in order to provide traditional telephone service. The Commission should therefore revise its rules to permit broadband CMRS to offer fixed wireless loop services.<sup>3</sup>

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<sup>3</sup> Bell Atlantic takes no position on whether the Commission's operational, interference or technical rules need to be amended or supplemented to accommodate fixed wireless loop services.

## **II. AS FIXED WIRELESS LOOP TECHNOLOGY BECOMES COMMERCIALLY VIABLE, IT SHOULD BE REGULATED IN THE SAME MANNER AS OTHER TECHNOLOGIES USED TO PROVIDE COMPARABLE SERVICES**

The Commission also proposes to regulate fixed wireless loop services in the same manner as mobile services offered by CMRS providers. Under this regulatory scheme, CMRS providers would be able to offer these services without any state or federal regulation of their rates.<sup>4</sup> This proposal may be premature.

The Commission's NPRM does not indicate that there is any fixed wireless loop technology that is ready for commercial deployment by CMRS providers. Nor does it indicate that CMRS providers are ready to offer fixed wireless loop services on a commercial basis, rather than simply a trial basis. It may therefore be unnecessary for the Commission to determine the appropriate regulatory treatment of fixed wireless loop services offered by CMRS providers.

When CMRS providers begin offering fixed wireless loop services on a commercially-viable basis, the Commission should ensure that they are regulated on a symmetrical basis. Comparable services should be regulated in the same fashion. It does not matter whether a competitor provides local service by using copper wires, fiber optics or radio waves. Each competing provider of local telecommunications services should be subject to the same regulatory rules and requirements.

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<sup>4</sup> The Commission's questions about universal service have largely been resolved by Section 254 of the Telecommunications Act of 1996.

Giving a regulatory advantage to service providers using certain types of wireless technologies will inevitably produce economic inefficiencies. Consumer purchasing decisions will be based on the regulatory disparity, rather than the relative cost advantages, of the competing technologies. Investment decision will likewise be distorted by the disparate regulatory treatment of different technologies.

Moreover, the Commission's regulatory proposal is not sustainable in the long term. Even if it were appropriate for the Commission to classify fixed wireless local loop services as "mobile services,"<sup>5</sup> such a classification would not exempt them from state rate regulation when they become a substitute for a substantial portion of the landline local exchange communications in the state. Section 332(c)(3)(A) of the Communications Act of 1934, as amended, provides that:

"[n]othing in this subparagraph shall exempt providers of commercial mobile services (where such services are a substitute for land line telephone exchange service for a substantial portion of the communications within such State) from requirements imposed by a State commission on all providers of telecommunications services necessary to ensure the universal availability of telecommunications service at affordable rates."<sup>6</sup>

It is certainly the Commission's goal to make commercial mobile service a substitute for a substantial portion of all communications. However, once that goal is achieved, the Commission would have to eliminate the regulatory disparity it is now proposing. At that

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<sup>5</sup> The premise of the Commission's proposal is that a "fixed" wireless local loop service can be classified as a "mobile service." This premise is facially inconsistent with the statutory definition of mobile service: "a radio communication service carried on between mobile stations or receivers and land stations, and by mobile stations communicating among themselves, . . . ." 47 U.S.C. § 153(n).

<sup>6</sup> 47 U.S.C. § 332(c)(3)(A).

time, it will certainly be more difficult and disruptive to subject CMRS providers to the same regulatory requirements as their wireline competitors if there still remains a significant disparity in the regulation of wireless and wireline services. It would be far better not to start down that path in the first place. When CMRS providers begin offering fixed wireless loop services on a commercial basis, they should be regulated like their wireline competitors.


Respectfully submitted,

**The Bell Atlantic Telephone  
Companies**

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